

**Access to Microfinance & Improved Implementation of
Policy Reform
(AMIR Program)**

Funded By U.S. Agency for International Development

TRAINING ACTION PLAN

Final Report

Deliverable for Jordan Capital Markets Component

Task No. 5.8.2

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List of acronyms

AMIR	Access to Microfinance & Improved Implementation of Policy Reform
ASE	Amman Stock Exchange
JSC	Jordan Securities Commission
SDC	Securities Depository Center
USAID	United States Agency for International Development
AFM	Amman Financial Market

Introduction

The purpose of this report is to set out proposals for the training to be provided by Jordan Capital Markets Technical Assistance Management as part of the Access to Microfinance and Improved Implementation of Policy Reform (AMIR) Program funded by United States Agency for International Development (USAID).

A number of interviews was carried out with the Jordan Securities Commission, Amman Stock Exchange and Securities Depository Center managers and staff and brokers and fund managers to ascertain the skill levels and capital markets understanding - a basic training needs awareness benchmark.

We have also met with all the Chartered Financial Analyst candidates enrolled to take the CFA exam as well as with 3 chartered CFAs Jordan has. These three CFAs are interested in assisting in establishing the CFA program and participating in CFA teaching program.

The training plan presented in this Report includes topics previously planned through the World Bank/USAID Trust Fund and UK Project Team.

The proposals are based on Jordan capital markets technical assistance work plan, December 11, 1999, the World Bank/USAID Trust Fund training proposals, conducted interviews (Attachment 5), distributed questionnaires (Attachment 6), questionnaire on training topics of potential interest (Attachment 7), as well as reading materials concerning the Amman Financial Market (AFM). Proposed training will include overseas study tours in the USA and relevant capital markets seminars.

This Training Action Plan presents the training to be provided for each of the partners. Many of the Units presented contain topics relevant to all the Partners. Detailed below is a listing of those topics by the corresponding Task number as per Jordan Capital Markets Technical Assistance Work Plan, December 11, 1999.

Tasks

Phase 1

- 8.1 Participate in IOSCO conference.
- 8.2 Prepare Training Action Plan.
- 8.3 Prepare broker certification course and examination.
- 8.4 Prepare Chartered Financial Analyst (CFA) teaching Program. The CFA Program is the most internationally recognized certification for finance industry professionals. It is administered by the Association for Investment Management and Research (AIMR) in U.S.A. USAID experience in other capital markets demonstrates that international investors look favorably at

markets that have a CFA presence. The CFA Program covers portfolio management, code of conduct and ethics, securities laws and best business practices. It will significantly enhance the professionalism of the Jordan capital market participants. The USAID/AMIR Program will institute the program in Jordan and meet the costs of training Jordanian nationals to teach the program. This will ensure its future sustainability. This will be done in conjunction with the Association of Certified Financial Professionals and the technical and financial support USAID/AMIR Program will provide that institution. U.S. instructors that are experts in teaching the CFA Program will be involved in training instructors and teaching students.

8.5 Sri Lanka depository study tour.

8.6 Deliver broker training.

8.7 Deliver CFA training.

Phase 2

8.8 Issuers and methods of raising capital.

8.9 Market instruments and analysis.

8.10 Investor protection.

8.11 Capital markets law and regulation.

8.12 Enforcement.

8.13 Development and management of a stock exchange.

8.14 Development and management of a securities depository.

8.15 Information technology training for Jordan Securities Commission.

8.16 Market research, public offerings and business development.

8.17 Management of mutual funds and investment firms.

Phase 3

8.18 Broker/ dealer training.

8.19 Communications and public relations.

8.20 Licensing for investment managers.

- 8.21 Licensing for financial advisors.
- 8.22 Licensing for custodians.
- 8.23 Corporate governance.
- 8.24 Training of state prosecutors and judges.
- 8.25 Training of financial journalists.
- 8.26 Conference for foreign investors.

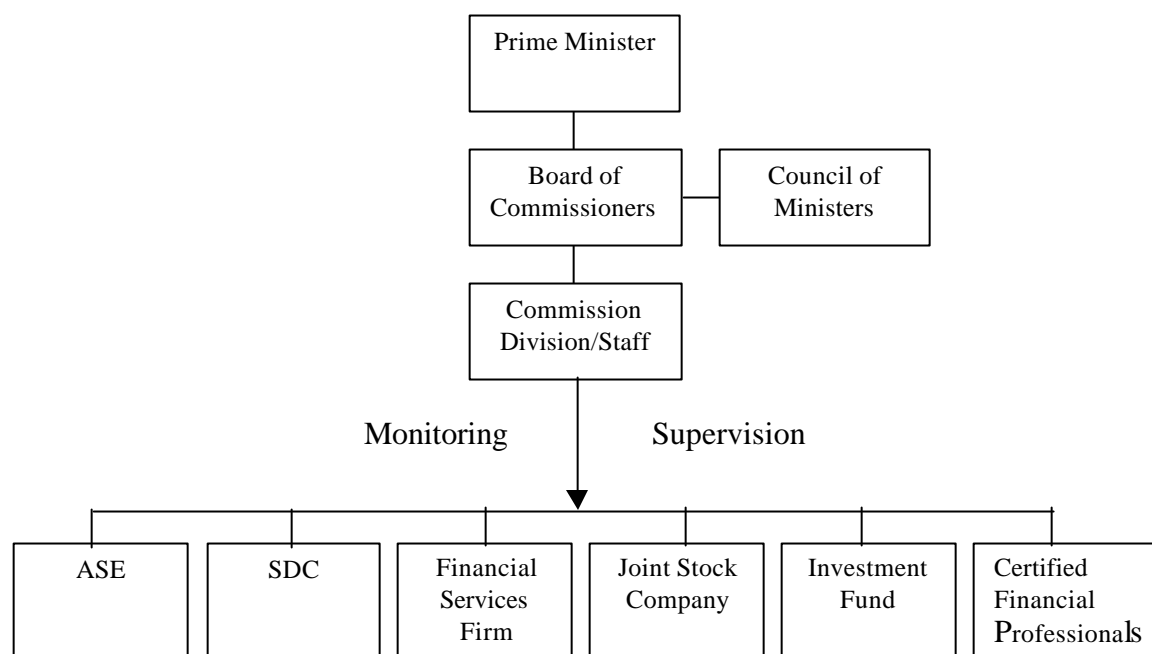
Industry Analysis

Analysis presented below is derived from the number of meetings and interviews with Jordan Capital Market participants.

For some years, Jordan has maintained a remarkably stable and respected equity market centered on the Amman Financial Market (AFM) and a small, but significant constituency of experienced market intermediaries. Since its inception, the AFM has functioned in a dual capacity as both a stock exchange and a market regulator. While this unique structure served the market well in earlier stages of development, the Jordanian market appears to have outgrown the AFM's integrated structure.

In 1996, The Jordanian Government initiated a comprehensive program of institutional restructuring of the capital market. The central component of the reform program was the adoption of a Securities Law that outlined the government's objectives for institutional restructuring and created a regulatory regime for securities, which would meet contemporary international standards.

The Securities Market as envisioned by the Securities Law may be presented by the following chart:



The Securities Law provides for the establishment of a Securities Commission to administer the Securities Law and includes provisions intended to ensure that the independence of the Commission is a reality in practice. The Securities Law states that the Commission is to be self-funding and that revenues from licensing fees, prospectus fees, fines and penalties should cover its expenditures.

The law conforms to a model in which the regulatory framework is established and the Commission has been granted the authority to issue of a third tier of rules. The Law makes clear that, although only the Council of Ministers may issue the regulations, it is the responsibility of the Commission to consider and prepare regulatory content. The third level, or Commission relies, is referred to as "instructions" which enable the Commission to proscribe administrative procedures that market participants will follow, and that will be observed by the Commission itself in discharging its duties.

In sum, the Law creates the JSC as an independent structure and it grants to the JSC appropriate procedures for rule formulation, which will allow it to function as an autonomous regulatory entity, at least structurally, free from political and internal governmental pressures to which it would otherwise be subject. The JSC has a supervisory position over all of the players in Jordan's capital market.

The JSC will monitor and supervise the ASE, SDC, financial services companies, joint stock companies, investment funds and certified financial professionals; i.e. all securities market participants and institutions. The JSC is also responsible for licensing these entities and issuing rules and regulations to which they must subsequently adhere.

The second entity created under new Law, is the Amman Stock Exchange. The Board of Directors will be voted in by the shareholders and will bear the ultimate responsibility for the operational efficiency of the exchange. The Board will appoint an Executive Manager after consultation with the Board of Commissioners. ASE is a private, non-profit organization owned and operated by its constituent financial brokers. Day to day exchange operations will be the responsibility of the exchange staff.

Companies which meet fundamental listing requirements- as stipulated in the Exchange by-laws-may, upon payment of requisite fees and dues, become listed on the Exchange. Listing further entails adherence to regular reporting requirements and disclosure standards as outlined by the Exchange.

According to the Securities Law, registration and transfer of ownership of securities traded on the Exchange and the settlement of the same among exchange members shall be made by entries in the SDC's records in accordance with jurisdictional rules and regulations. Membership on the SDC shall consist of agencies to be determined by the SDC Board in accordance with regulations.

The Primary Market deals with new issues. New issues consist of "share issues" and "bond issues." Share issues include both issues by newly established companies, as well as the established ones through capital increases or by public and private offering. While the listing of several previously established companies boosted the primary market in 1997, the economic slowdown and turbulent international capital market conditions took their toll in 1998, driving primary issues down to a JD 47.5 compared with JD 206.7 in 1996.

The Secondary Market is divided into four markets: the Organized Market, the Parallel Market, the Bond Market, and transactions off the trading floor. According to the information gathered during the interviews, since its establishment, the number of listed companies has almost doubled. In 1978 only 66 companies were listed. To date, 114 companies are listed and 17 more companies are waiting to be listed.

The parallel market provides a venue for companies to trade their shares while working to meet the listing requirements for the organized market. In September 1998, there were 49 companies in this category. In recent years, trading in the secondary bond market has been limited to development bonds and corporate bonds. Transactions off the trading floor are primarily made up of inheritance and familial transfers and transactions in unlisted companies.

Proposed Training Activities

The JSC has requested USAID to provide technical assistance to continue the expansion of the capital markets in Jordan. Training is among those areas.

The objectives of the proposed training plan are:

- Train JSC, ASE, and SDC staff in the various regulatory, market development and institutional development areas needed.
- Establish the broker certification and licensing programs for Investment Managers, Financial Advisors and Custodians.
- Assist the JSC, ASE, and SDC in educating financial journalists on the progress towards market reform and the development of capital markets.
- Present educational programs to business community to explain the requirements of the securities regulation framework.

The Jordan Capital Markets Technical Assistance Work Plan, December 11, 1999, World Bank/USAID Trust Fund Training proposals were drawn upon in developing this Training Action Plan. In addition, in order to develop comprehensive training plan, which meets the reality of Jordan Capital Market, we came up with the questionnaire on training topics of potential interest. The questionnaire contains lists of training topics separated for each of the targeted group such as Capital Market Participants in general, Jordan Securities Commission, Amman Stock Exchange, and the Securities Depository Center. We used it as a starting point for further discussion on the training needs. Upon our experience, enhanced by information gathered through the interviews and the calculation of weighted average for each of the topics, we positioned proposed training topics according to the level of their 1) importance and 2) expressed interest. The importance of the topics was taken from our training experience in transition countries economy, consultations with JSC Commissioners, senior management of ASE and SDC. In the questionnaire the training topics were evaluated according to the following scale: 1 - very interested; 2 - mildly interested; 3- not very interested.

The list below has been divided into training to be provided for JSC, ASE, SDC, and Capital Markets Participants in general. In some cases, the same module with some adjustment of its content will be provided for more than one category.

My suggestion is “bundling” modules into units. Each unit will usually be presented to a class of 10 to 12 participants for a period of up to two weeks, meeting three times a week for 2 to 3 hours per session. The sessions will start at 4:30 p.m. This way, participants will be better able to take the necessary time out of their workdays to receive the training. This plan also enables efficient handling of invitation procedures, since we will be working with nearly the same group of participants for the duration of a unit’s training time. It is intended that pre-session and post-session handouts will be used. In addition, these sessions will be supplemented by workshops, seminars and overseas training. The licensing will be provided by the JSC.

Attachment 1: Training Units for JSC

	Training Module Title	Training Module Description	
<i>Unit 1. Investments, Investors and Investor Protection</i>			
1	Investment Funds	This workshop will cover: Classification of investment companies; Types of mutual funds; Organization of a mutual fund; Redeeming shares in mutual fund; Investment funds' in Jordan.	
2	Survey of Investment Products	Topics include common stocks, preferred stocks, rights, warrants, options, futures, municipal bonds, corporate bonds, mutual funds, certificates of deposit, unit investment trusts.	
3	Compliance and Ethics	Issues discussed include suitability of investments, recommendations to investors, and ethical sales practices.	
4	Investor as a customer	This seminar will be focused on attracting and maintaining investors as customers. Discussion will be focused on investor risk tolerance, financial advisory.	
5	Overview of Corporate Governance	Issues include governing instruments, voting, dividends, and meeting of shareholders, quorum, access to corporate records, shareholder proposals, board of directors.	
<i>Unit 2. Issuers, Corporate Governance, and Methods of Raising Capital</i>			
1	Corp. Governance: Business Strategy	Issues include governing instruments, voting, dividends, and meetings of shareholders, quorum, access to corporate records, shareholder proposals, board of directors. Modules will be developed for each of the topics. The amount of time devoted to each of the topics will be based on the level of interest (score).	
2	Corp. Governance: Financial Systems		
3	Corp. Governance: Decision-Making		
4	Corp. Governance: Corp. Governance in a Changing Environment		
5	Corp. Governance: Shareholder Communication		

	Training Module Title	Training Module Description	
Unit 3. Capital Market Law and Regulations			
1	Overview of Company Law	The major points of the law are to be discussed. Flowcharts will be prepared to help the understanding.	Unit 3 will be presented if necessary after UK Project.
2	Overview of Securities Market Regulations	The major points of the regulations are to be discussed. Flowcharts will be prepared to help the understanding.	
3	Overview of Capital Markets	The purpose of this workshop is to introduce the concept of capital market including but not limited to the following topics: primary and secondary markets, risk and reward, types of securities, participants' roles, market regulation.	
4	Preparation and Implementation of Securities Law	The major points of the law are to be discussed. Flowcharts will be prepared to help the understanding.	
5	Understanding Securities Underwriting and Registering Directives	A session is planned with JSC personnel, to discuss possible ways of collaboration on the development of a module so that the staff becomes familiar with the underwriting and registration procedures. Flowcharts will be developed to help the staff's understanding. We will use developed information to train the participants involved in this unit.	
6	The Development of a SRO: Why and How	Brief explanations of the functions and contents of the following documents will be given: Charter of the SRO, Rules of Fair Practice, and Uniform Practice Code. Detailed information about and samples of the above documents will be provided in later seminars as the SRO development progresses.	
7	Market Monitoring	Explanation of Licensing and Surveillance regulations for financial market participants, including brokerage firms, other market intermediaries	

	Training Module Title	Training Module Description	
Unit 4. Market Instruments			
1	Market Instruments (including debt securities, characteristics of bonds, equity securities, equity based securities, options)	Modules will be developed for each of the topics. We will distribute brochures on each of the topics and handouts of the modules as being presented.	
Unit 5. Market Analysis			
11	Analytical Techniques	Develop an understanding of analytical techniques including business cycle, economic analysis, financial statement analysis, etc.	
Unit 6. Communication and Public Relations			
	Communications and Public Relations	In cooperation with the Division of Public Affairs and Administration train JSC staff on administering informational programs, handling public education campaign, monitor press coverage, provide information for speeches to the Chairman and Commissioners, etc.	

Attachment 2: Training Units for Amman Stock Exchange

	Training Module Title	Training Module Description	
<i>Unit 1. Underwriting</i>			
1	Underwriting Issues	This module presents a general view of the underwriting process, primary and secondary markets, stock exchanges, and listing on exchanges.	
2	Public Offerings	This module gives further details about the underwriting process and yet summarizes the information given in the earlier modules. It lends itself well to discussions among participants.	
3	Underwriting Terminology	This module explains in detail the procedures involved in the underwriting process and includes discussions about the specific terminology used. A brief session of role-playing is to be used to solidify the understanding of “hot issue” and “sticky issue.”	
<i>Unit 2. Investments, Investors and Investor Protection</i>			
1	Survey of Investment Products	Topics include common stocks, preferred stocks, rights, warrants, options, futures, municipal bonds, corporate bonds, mutual funds, certificates of deposit, unit investment trusts.	
2	Investor as a customer (Investor risk tolerance, Financial Advisory)	This seminar will be focused on attracting and maintaining investors as customers. Discussion will be focused on investor risk tolerance, financial advisory.	
3	Investment Funds	This workshop will cover: Classification of investment companies; Types of mutual funds; Organization of a mutual fund; Redeeming shares in mutual fund; Investment funds’ in Jordan	

	Training Module Title	Training Module Description	
<i>Unit 3. Issuers, Corporate Governance, and Methods of Raising Capital</i>			
1	Corp. Governance: Shareholder Communication	Issues include governing instruments, voting, dividends, and meetings of shareholders, quorum, access to corporate records, shareholder proposals, board of directors. Modules will be developed for each of the topics. The amount of time devoted to each of the topics will be based on the level of interest (score).	
2	Corp. Governance: Financial Systems		
3	Corp. Governance: Business Strategy		
4	Corp. Governance: Decision-Making		
5	Corp. Governance: Corp. Governance in a Changing Environment		

	Training Module Title	Training Module Description	
Unit 4. Advisory Services			
1	Market Research and Information Dissemination	In cooperation with the Division of Public Relations of the ASE, develop a workshop as to the techniques for information dissemination to potential members and listers and that regarding current listing and trading dynamics. The information dissemination function is important in that it will attract necessary members and listed companies to provide the liquidity and resources needed to increase efficiency.	
2	Writing a Business Plan for a Joint Stock Company	A well-written business plan is a necessity for an enterprise when considering an offering of securities to raise capital. A financial institution will be called upon to provide assistance and advice regarding this vital activity. Participants of the seminar will receive and discuss detailed instructions on what to include and not include in a business plan.	
Unit 5. Capital Market Law and Regulations			
1	Overview of Stock Exchange Regulations	The major points of the regulations are to be discussed. Flowcharts will be prepared to help the understanding. We will introduce specifications relative to and concerning the listing of securities on the ASE in the Securities Law and the Companies Law.	
2	Overview of Capital Markets	The purpose of this workshop is to introduce the concept of capital market including but not limited to the following topics: primary and secondary markets, risk and reward, types of securities, participants' roles, market regulation.	
Unit 6. Market Analysis			
11	Analytical Techniques (including business cycle, economic analysis, financial statement analysis, etc.)	Develop an understanding of analytical techniques including business cycle, economic analysis, financial statement analysis, etc.	

Attachment 3: Training Units for the Securities Depository Center

	Training Module Title	Training Module Description	Comments
<i>Unit 1. Capital Market Law and Regulations</i>			
1	Understanding Securities Underwriting and Registering Directives	A session is planned with JSC personnel, to discuss possible ways of collaboration on the development of a module so that the staff becomes familiar with the underwriting and registration procedures. Flowcharts will be developed to help the staff's understanding. We will use developed information to train the participants involved in this unit.	
2	Overview of Capital Markets	The purpose of this workshop is to introduce the concept of capital market including but not limited to the following topics: primary and secondary markets, risk and reward, types of securities, participants' roles, market regulation.	
<i>Unit 2. Depository Management Training</i>			
1	Management of the Depository	The major points of the regulations are to be discussed. Flowcharts will be prepared to help the understanding. Introduction of concepts and framework required developing a market surveillance system, conduct rules as they apply to brokers and dealers in their relationship to their customers and in the trading of securities and sales practices, including fraud violations and short selling.	
2	Role of Settlement System and Depository	To be determined upon the establishment of the system.	
3	Regulation of Depository Members	Described various approaches to ownership and participation in clearing and settlement organizations.	
4	The Development of a SRO: Why and How	Brief explanations of the functions and contents of the following documents will be given: Charter of the SRO, Rules of Fair Practice, and Uniform Practice Code. Detailed information about and samples of the above documents will be provided in later seminars as the SRO development progresses.	

	Training Module Title	Training Module Description	Comments
<i>Unit 3. Information Technology Training</i>			
17	Technical Training	Proposed topics for technical training include but are not limited to Depository Functions, Clearance, Settlement System (DCS), Data elements of the registry, registry functions and its importance to the issuers.	

Attachment 4: Training Units for Capital Markets Participants

	Training Module Title	Training Module Description	Comments
<i>Unit 1. Underwriting Enterprise Securities</i>			
1	Underwriting Issues	This module presents a general view of the underwriting process, primary and secondary markets, stock exchanges, and listing on exchanges.	
2	Securities Market Fundamentals and Underwriting Issues	The seminar will review the fundamental concepts and activities relating to securities underwriting including the role and responsibilities of the underwriters, investment bankers and selling group. In addition, the concepts of primary markets, secondary markets and exchange will be discussed in detail.	
3	Public Offerings	This module gives further details about the underwriting process and yet summarizes the information given in the earlier modules. It lends itself well to discussions among participants.	
4	Understanding Securities Underwriting and Registering Directives	A session is planned with JSC personnel, to discuss possible ways of collaboration on the development of a module so that the staff becomes familiar with the underwriting and registration procedures. Flowcharts will be developed to help the staff's understanding. We will use developed information to train the participants involved in this unit.	
5	Disclosing Financial Information	The seminar will include "Hard" and "Soft" information; Oral communication, prospectus, advertisement.	
6	Underwriting Terminology	This module explains in detail the procedures involved in the underwriting process and includes discussions about the specific terminology used. A brief session of role-playing is to be used to solidify the understanding of "hot issue" and "sticky issue."	

	Training Module Title	Training Module Description	Comments
<i>Unit 2. Investments, Investors and Their Right Protection</i>			
1	How to be a successful investor	The objective of this module is to help broker/dealers prepare a brochure for use with their clients. An appendix from the study guide for broker-dealer certification program will be used.	
2	Investment Funds	This workshop will cover: Classification of investment companies; Types of mutual funds; Organization of a mutual fund; Redeeming shares in mutual fund; Investment funds' in Jordan	
3	Compliance and Ethics	Issues discussed include suitability of investments, recommendations to investors, and ethical sales practices.	
4	Overview of Corporate Governance	Issues include governing instruments, voting, dividends, and meeting of shareholders, quorum, access to corporate records, shareholder proposals, board of directors.	
5	Survey of Investment Products	Topics include common stocks, preferred stocks, rights, warrants, options, futures, municipal bonds, corporate bonds, mutual funds, certificates of deposit, unit investment trusts.	

	Training Module Title	Training Module Description	
Unit 3. Broker/Dealer Training			
1	Fundamentals of Sales of Financial Products and Services	This module deals with methods to establish long-term relationships with clients. The techniques are directed at upper middle class people and businesspersons as potential clients. Included are practical explanations and discussions about topics such as, but not limited to, the following: (i) providing education about securities markets in general, (ii) effective time management, (iii) effective organization of yourself and your office, (iv) scheduling appointments, (v) preparation for interviews, (vi) open-ended questions to ask at interviews, (vii) questions and objections to expect from potential clients, (ix) methods to track your progress.	
2	Broker/Dealer Operation (advanced)	This module goes into depth about the functioning of broker/dealer firms.	
3	The Development of a SRO: Why and How	This module involves panel discussions, case studies, and role-playing. Brief explanations of the functions and contents of the following documents will be given: Charter of the SRO, Rules of Fair Practice, and Uniform Practice Code. Detailed information about and samples of the above documents will be provided in later seminars as the SRO development progresses.	
4	Broker/Dealer Operation (basics): Customer Orders, Processing of Customer Orders	Basic: This is a discussion during which the participants gain knowledge about how a brokerage firm is organized to open accounts, process orders, maintain client accounts, develop compliance standards, and abide by applicable laws. A general look at the “departments” of a brokerage firm is given, even though we realize that the structure is not in place yet.	

	Training Module Title	Training Module Description	Comments
Unit 4. Investment Managers Training			
1	Investment Management	Management of securities' portfolios, in terms of selling, buying upon proxy from the client.	
Unit 5. Financial Advisors Training			
1	Financial Advisory	a) Provision of on-going advice on investment in or dealing with securities on the basis of the particular goal of each client. b) Provision of advice for third parties, either directly or indirectly, through bulletins or written material on investment, buying or selling securities.	
Unit 6. Custodian Training			
1	Custodian Training	Operation of a Stock Exchange, its role in the capital market; Clearing and Settlement, including cross-border settlement issues.	
Unit 7. Issuers, Corporate Governance, and Methods of Raising Capital			
1	Corp. Governance: Business Strategy	Issues include governing instruments, voting, dividends, and meetings of shareholders, quorum, access to corporate records, shareholder proposals, board of directors. Modules will be developed for each of the topics. The amount of time devoted to each of the topics will be based on the level of interest (score).	
2	Corp. Governance: Financial Systems		
3	Corp. Governance: Decision-Making		
4	Corp. Governance: Corp. Governance in a Changing Environment		
5	Corp. Governance: Shareholder Communication		

	Training Module Title	Training Module Description	Comments
Unit 8. Advisory Services			
1	Writing a Business Plan for a Joint Stock Company	A well-written business plan is a necessity for an enterprise when considering an offering of securities to raise capital. A financial institution will be called upon to provide assistance and advice regarding this vital activity. Participants of the seminar will receive and discuss detailed instructions on what to include and not include in a business plan.	
2	Strategic Planning for a Joint Stock Company		
Unit 9. Market Instruments			
1	Market Instruments (including debt securities, characteristics of bonds, equity securities, equity based securities, options)	Modules will be developed for each of the topics. We will distribute brochures on each of the topics and handouts of the modules as being presented.	
Unit 10. Market Analysis			
1	Market Analysis		
2	Analytical Techniques	Develop an understanding of analytical techniques including business cycle, economic analysis, financial statement analysis, etc.	

	Training Module Title	Training Module Description	Comments
<i>Unit 10. Capital Market Law and Regulations</i>			
1	Overview of Securities Law	The major points of the law are to be discussed. Flowcharts will be prepared to help the understanding.	
2	Overview of Company Law	The major points of the law are to be discussed. Flowcharts will be prepared to help the understanding.	
3	Overview of Securities Market Regulations	The major points of the regulations are to be discussed. Flowcharts will be prepared to help the understanding.	
4	Overview of Capital Market	The purpose of this workshop is to introduce the concept of capital market including but not limited to the following topics: primary and secondary markets, risk and reward, types of securities, participants' roles, market regulation	
	Elements of Brokerage Firm Compliance Manual	This training program will be carried out by British Team.	

Attachment 5: List of persons interviewed

- Dr. Tayseer Abdel Jaber, Commissioner, JSC
- Mr. Wasef Azar, Chairman, SDC
- Mr. Jalil Tarif, Chief Executive, ASE
- Mr. Nader Azar, Deputy Chief Executive, ASE
- Mr. Maan Jalamdeh, Issuance and Disclosure Manager and Capital Markets Coordination Manager, JSC
- Mr. Mohamed Tash, General Manager, National Securities Brokerage
- Mr. Mohammad Amoudi, IT Manager, JSC
- Mr. Samir Jaradat, Assistant General Manager, Investment and Marketing, Jordan Investment and Finance Bank
- British Team
 - Mr. David Lister, Resident Advisor, Capital Markets Partners, Limited
 - Mr. Noel Clarke, Consultant, Capital Markets Partners, Limited
 - Mr. Bob Wilkinson, Consultant, Capital Markets Partners, Limited
 - George Hayter, Director, E*Trade
- Jordan Investment Trust
 - Mr. Hatem El-Shahed, Head, Capital Markets
 - Mr. Mohammad Fayyad, Head Fixed Income Division Investment Department
- Arab Bank
 - Mr. Hasan Sasa, Head of Section Accounting Department
 - Mr. Hani Jawabreh, Senior Dealer
- Atlas Investment Group
 - Mr. Husam Kutaifan, Head of Corporate Finance
 - Mr. Asali, Financial Analyst
 - Mr. Ilah Shahin, Financial Analyst
 - Mr. Tariq Mansour Rabadi, Financial Analyst
 - Mr. Eyad I. Mash'al, Fund Manager
- Mr. Tareq Ansari, Securities Unit, Export and Finance Bank

Attachment 6: Questionnaire on Meeting with Capital Market Participants

NOTES FROM MEETING WITH CAPITAL MARKETS PARTICIPANTS

Date: _____

Company visited: _____

Persons attending the meeting: _____

Company's contact information: _____

1. How long has the firm been in business?
2. Are you a subsidiary of another company?
3. How many personnel work in your firm?
4. What are you doing for revenue?
5. What are the obstacles to Capital Markets Development in Jordan?
6. What are the opportunities to Capital Markets Development in Jordan?
7. What are the obstacles to increased trading stocks in Jordan?
8. What are the supports to increased trading stocks in Jordan?
9. What are you doing to attract additional clients?
10. Is there any particular sector you are specialized in?
11. Do you prepare research reports regarding enterprises for clients and potential clients? If yes, to what extend?
12. How do you get information necessary to prepare a research report?

13. To what extent do you plan market making activities (standing ready as a dealer to trade securities in and out of your own account using mark-ups and mark-downs to generate profit.)
14. What advertising do you do? (any samples of ads, newsletters, brochures, etc.)
15. Please provide samples of client contracts, order forms, and other paperwork used to set up and service clients' accounts.
16. Please describe any "off-exchange" activities in which you have been involved that dealt with securities.
17. Please outline the step-by-step process of a stock sell/buy transaction to explain the procedures involved at an exchange and elsewhere.
18. Please describe the fees or commissions that you charge.
19. Please describe your back office procedures and any software used.
20. Please describe the procedures you use for handling stock certificates and assisting with changes of ownership of stocks.
21. What is your underwriting capacity? That is given a good enterprise which is looking to raise capital by issuing shares, do you think you can raise enough money as a syndicate member in an IPO or secondary offering project?
22. What hardware do you use in your firm?
23. What is your interest in associations of professional market participants?
24. Now do you feel about the development of a SRO (Self Regulatory Organization) for broker – dealers?

Attachment 7: Questionnaire on the Training Topics of Potential Interest**TRAINING PROGRAMS INTENDED FOR DELIVERY TO
CAPITAL MARKET PARTICIPANTS**

To what extent are you interested in receiving training about the following topics?

- 1- very interested
- 2 - mildly interested
- 3 - not very interested

____Securities Markets Fundamentals and Underwriting Issues

____Underwriting Terminology

____Case Study: The Microsoft IPO in 1986

____Public Offerings

____Elements of a Brokerage Firm Compliance Manual

____Writing a Business Plan for a Joint Stock Company

____Overview of Corporate Governance

____Fundamentals of Sales of Financial Products and Services

____Survey of Investment Products

____The Development of a SRO: Why and how

____Strategic Planning for a Joint Stock Company

____Corp. Gov.: Corporate Governance in a Changing Environment

____Corp. Gov.: Decision-Making

____Corp. Gov.: Shareholder Communication

____ Corp. Gov.: Financial Systems

____ Corp. Gov.: Business Strategy

____ Broker/Dealer Operations

____ Understanding Securities Underwriting and Registering Directives

____ Compliance and Ethics

____ Overview of Capital Markets

____ Market Instruments (including debt securities, characteristics of bonds, equity securities, equity based securities, and options)

____ Investment Funds

____ Analytical Techniques (including the business cycle, economic analysis, financial statement analysis, ratio analysis, valuation, etc.)

____ Customer Orders, Processing of Customer Orders

____ Disclosing Financial Information

____ Market Analysis

TRAINING PROGRAMS INTENDED FOR DELIVERY TO JORDAN SECURITY COMMISSION (JSC)

____ Communication and Public Relations

____ Preparation and implementation of securities law and rules

____ Market Monitoring, licensing and surveillance of brokerage firms, other market intermediaries

____ Investor as a customer (Investor risk tolerance, Financial advisory services)

____ Overview of Corporate Governance

____ Fundamentals of Sales of Financial Products and Services

____ Survey of Investment Products

- ____ The Development of a SRO: Why and How
- ____ Corp. Gov.: Corporate Governance in a Changing Environment
- ____ Corp. Gov.: Decision-Making
- ____ Corp. Gov.: Shareholder Communication
- ____ Corp. Gov.: Financial Systems
- ____ Corp. Gov.: Business Strategy
- ____ Understanding Securities Underwriting and Registering Directives
- ____ Compliance and Ethics
- ____ Overview of Capital Markets
- ____ Market Instruments (including debt securities, characteristics of bonds, equity securities, equity based securities, and options)
- ____ Investment Funds
- ____ Analytical Techniques (including the business cycle, economic analysis, financial statement analysis, ratio analysis, valuation, etc.)

TRAINING PROGRAMS INTENDED FOR DELIVERY TO AMMAN STOCK EXCHANGE

- ____ Underwriting Terminology
- ____ Public Offerings
- ____ Fundamentals of Sales of Financial Products and Services
- ____ Survey of Investment Products
- ____ The Development of a SRO: Why and How
- ____ Corp. Gov.: Corporate Governance in a Changing Environment
- ____ Corp. Gov.: Decision-Making
- ____ Corp. Gov.: Shareholder Communication

____ Corp. Gov.: Financial Systems

____ Corp. Gov.: Business Strategy

____ Overview of Capital Markets

____ Analytical Techniques (including the business cycle, economic analysis, financial statement analysis, ratio analysis, valuation, etc.)

____ Customer Orders, Processing of Customer Orders

____ Market Research and Information Dissemination

____ Writing a Business Plan for Joint Stock Company

____ Investor as a customer (Investor risk tolerance, Financial advisory services on conjunction with JSC)

____ Market Research and Information Dissemination

TRAINING PROGRAMS INTENDED FOR DELIVERY TO SECURITIES DEPOSITORY CENTER (SDC)

____ The Development of an SRO: Why and How

____ Understanding Securities Underwriting and Registering Directives

____ Overview of Capital Markets

____ Management of the Depository

____ Regulation of Depository Members

____ Role of the Settlement System and Depository